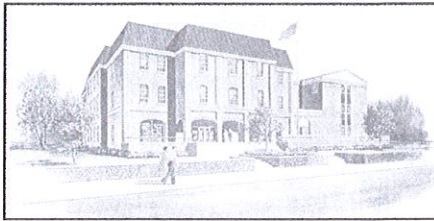


Gallia County Commissioners

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Megan Saunders, Assistant Clerk*

December 4, 2018

Ohio House of Representatives
State and Local Government Committee
Attn: Chair Marlene Anielski

RE: Written Testimony – House Bill 720

Chair Anielski, Vice-Chair Hambley, Ranking Member Holmes, and Members of the State and Local Government Committee, on behalf of the Board of Gallia County Commissioners, President David K. Smith, Vice-President Brent Saunders and myself, Commissioner Harold G. Montgomery, I thank you for the opportunity to offer written testimony regarding House Bill 720.

As proposed House Bill 720 would require voter approval to increase county sales and use tax and we oppose this bill for numerous reasons.

First, it is our opinion that the State of Ohio should not approve passage of a bill that will further hamstring County Commissioner's ability to effectively fund essential county government operations. County Commissioners are elected by the residents in their counties to make the tough decisions when it comes to budgeting and determining what is most important in their communities. County Commissioners make those tough decisions weekly and Counties need all options available to them in order to successfully fund and operate county offices and departments.

Secondly, due to a significant loss in various revenue streams from the State of Ohio over the past and future years such as MCO Sales Tax, Defense of Indigent Reimbursement, Undivided Local Government Fund and Public Utility Real Estate Taxes many Counties are now in a position of hardship and have no options other than real estate or sales and use tax increases.

Thirdly, for Counties (and Gallia County is one such County) that have been able to operate without enacting their entire 1.5% sales and use tax over the years by making cuts internally, by coordinating services and by partnerships with other agencies and sometimes other neighboring counties, we should not be punished by the State of Ohio for doing what is necessary in our County when the time for tough decisions of tax increases comes around.

Specifically, in Gallia County we are blessed to have been able to sustain our County General Fund operations over the years utilizing only 1% of the 1.5% sales and use tax allowed for Counties. Gallia County's 911 system is funded by 0.25% sales and use tax since 1995. Gallia County EMS receives \$400,000 annually of the 1% sales and use tax currently collected for the County General fund. This leaves Gallia County with 0.25% sales and tax available to enact for the County General Fund.

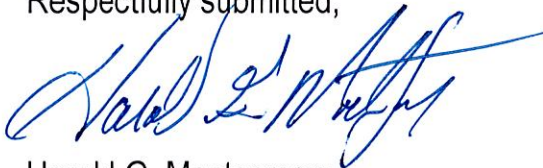
For Gallia County, it is a very good thing that our current and past County Commissioners have been frugal and held the 0.25% sales and use tax in abeyance, because as of 2018 the additional costs that Gallia County's General Fund has encountered in funding both Law Enforcement and the Courts, due in large part to the opioid crisis, is crushing the County General Fund. Law Enforcement & Courts budgets have grown from 42% of the total General Fund budget in Year 2016 to 52% of the total General Fund budget in Year 2018 with Year 2019 General Fund budget requests for Law Enforcement & Courts at 59% of the total County General Fund requests. These increases are not sustainable with the current County General Fund revenue stream that has seen significant reductions by the State of Ohio.

Therefore, Gallia County Commissioners have made the tough decision to begin the process of enacting by emergency measure the final 0.25% sales and use tax available to the County General Fund. We have not taken this action lightly, we have held group meetings with all levels of law enforcement and courts in Gallia County and specifically invited the local press so that all citizens could be aware of our situation. We don't want to be in the position where courts and law enforcement have their budgets court ordered and we are left without adequate funding available for all other county offices and departments. We also cannot tell our Sheriff to not arrest criminals. Thus, the tough and proper decision has been made to move forward with an emergency measure for the final 0.25% sales and use tax in Gallia County.

I will finish by using an age old saying "What is good for the goose is good for the gander!", meaning if the Ohio Legislature feels voter approval should be required to increase County Sales and Use Tax then so should voter approval be required to increase State of Ohio Sales and Use Tax!

It is for all the reasons stated above that I and the Gallia County Commissioners are in opposition of House Bill 720. Thank you for the opportunity to give written testimony on this most important issue that has a direct impact on the financial stability of, not only Gallia County, but all Counties in Ohio. I would be glad to answer any questions you may have of me.

Respectfully submitted,



Harold G. Montgomery

Gallia County Commissioner